



April 26, 2010

## MEMORANDUM

**TO:** District Board of Trustees

**FROM:** William D. Law, Jr., President

**SUBJECT:** Resolution for Participation in the 2010 State Board of Education  
Capital Outlay Bond Issue

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### Item Description:

This item requests approval to participate in the State Board of Education Capital Outlay Bond 2010 Issue.

### Overview:

Each year the Office of Educational Facilities calculates the bonding capacity of the Capital Outlay and Debt Service program revenues for participation in a new issue of State Board of Education Capital Outlay Bonds. Issuance costs associated with the sale of the bonds are spread among the participating school districts and colleges. Each participant pays their prorata share of costs based on the number of bonds sold on their behalf. These charges are paid against the total bond proceeds.

### Salient Facts:

Pursuant to the Florida Constitution, State Board of Education Capital Outlay Bonds are structured with a twenty year maturity. The interest rate for the calculation is six (6.00) per cent.

Proceeds can only be used to fund projects identified on the currently approved Project Priority List (PPL). The College has several projects that meet this criteria, the first being Land Acquisition for both the Main Campus and FPSI. We do have the opportunity to amend the project at a later time. There is a requirement to update the PPL after the Educational Plant Survey is submitted. The College is required to submit a new Educational Plant Survey by June 30, 2010. Therefore, an amended PPL will be submitted and a request to amend the project will be made at that time.

### Past Actions:

The Board approved the participation in the State Board of Education 2009 Capital Outlay Bond Issue in the amount of \$2,765,000.

### Future Actions:

The Board may be asked to approve a revised Project Priority List and amend the project included in this resolution.

**Funding/Financial Matters:**

The proceeds from the 2010 Capital Outlay Bond Issue in the amount of \$585,000 will be used to fund projects on the current Project Priority List or the new Project Priority List when completed.

**Staff Resource:**

Teresa Smith

**Recommended Action:**

Approve the Resolution to participate in the issuance of \$585,000 State Board of Education Capital Outlay Bonds.

A RESOLUTION OF THE BOARD OF TRUSTEES OF TALLAHASSEE COMMUNITY COLLEGE DISTRICT, FLORIDA, REQUESTING THE ISSUANCE BY THE STATE BOARD OF EDUCATION OF FLORIDA OF \$585,000 CAPITAL OUTLAY BONDS FOR AND ON BEHALF OF SUCH BOARD FOR THE PURPOSE HEREINAFTER STATED.

WHEREAS, pursuant to Article XII, Section 9, Subsection (d) of the Florida Constitution of 1968, approved at the general election of November 1968, as amended at the general elections of November 1972 and November 1992 (herein collectively referred to as "School Capital Outlay Amendment"), the State Board of Education of Florida is authorized to issue bonds payable solely as to both principal and interest from the funds provided for in said School Capital Outlay Amendment for the purpose of financing capital outlay projects for school purposes in the manner provided therein upon the application of the School Board of any School District and of the Board of Trustees of any Community College District in the State of Florida; and

WHEREAS, this Board of Trustees of TALLAHASSEE Community College District, Florida, deems it necessary and essential that \$585,000 of such bonds be issued by said State Board of Education in order to finance capital outlay projects for the TALLAHASSEE Community College District, Florida (hereinafter called "District"), as hereinafter set forth; now, therefore,

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF TALLAHASSEE COMMUNITY COLLEGE DISTRICT, FLORIDA (hereinafter called "Board"):

SECTION 1. It is hereby found, declared, and determined by this Board as follows, that:

(a) A survey has heretofore been made and is now in effect, under regulations prescribed by the State Board of Education, of the capital outlay school needs of said District and said survey has been approved as required by said State Board of Education, and is now on file in the office of the Secretary of this Board and in the office of the State Board of Education in Tallahassee, Florida. Said survey is by reference made a part of this resolution as fully and to the same extent as if incorporated verbatim herein.

(b) It is essential and necessary in order to maintain the community colleges in said District for the State Board of Education to issue \$585,000 Capital Outlay Bonds for and on behalf of the Board in order to finance the cost of acquiring, building, constructing, altering,

remodeling, improving, enlarging, furnishing, equipping, maintaining, renovating, or repairing of the following capital outlay projects for school purposes in said District, described and listed as follows in order of priority of need as approved by the State Board of Education:

PPL Project Number	Name of School Center, or Description of Location	Description of Project and List of Facilities Included
98	Main Campus/PTLEA	Land Acquisition for Main Campus Acquire approximately 31.5 acres Allowing for expansion of current Campus boundaries Rec. 1.01, 2004-05 EPS

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PPL Project Number	Name of School Center, or Description of Location	Description of Project and List of Facilities Included
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(c) The capital outlay projects described above shall have priority for financing in the order state above, the same being the order of priority of needs of said capital outlay projects as shown in said survey heretofore referred to, and there being no other capital outlay projects for said District, as shown on said survey, having a higher order of priority of needs.

(d) It is anticipated that all of the proceeds of the Capital Outlay Bonds issued on behalf of the District by the State Board of Education pursuant to Section 2 hereof will be spend by the District within three years from the issuance date of such bonds to pay the costs of the capital outlay projects described above or such other projects as herein authorized.

SECTION 2. This Board does hereby request the State Board of Education to issue Capital Outlay Bonds for and on behalf of the Board pursuant to the School Capital Outlay Amendment, for the purpose of financing the cost of the capital outlay projects described in Section 1(b) hereof. The Capital Outlay Bonds shall have such date or dates of issue and date or dates of maturity; shall have such provisions for redemption prior to maturity, with or without premium; such place or places of payments; and such other details as the State Board of Education shall in its discretion determine, and the Capital Outlay Bonds shall be sold by the State Board of Education in the manner provided by said School Capital Outlay Amendment and the proceeds thereof shall be applied to the financing of the capital outlay projects described in Section 1(b) hereof in the manner required by and as provided in the rules and regulations of the State Board of Education now existing or hereafter adopted.

SECTION 3. This Board does hereby agree and consent that it will fully comply with and abide by all rules, regulations, and orders of said State Board of Education now in existence or hereafter at any time made relative to the financing of the capital outlay projects; the application of the proceeds of the Capital Outlay Bonds; and the acquiring, building, constructing, altering, remodeling, improving, enlarging, furnishing, equipping, maintaining, renovating, or repairing of said capital outlay projects; and all other matters relating thereto.

SECTION 4. In the event any balance of the proceeds of the Capital Outlay Bonds shall remain after the completion of the capital outlay projects described in Section 1(b), and after the payment, or reservation of sufficient funds for the payment, of all costs thereof, then such

unexpended balance of such proceeds shall, in the discretion of the State Board of Education, be deposited in the Reserve Account in the Sinking Fund for the payment of principal and interest on said Capital Outlay Bonds, or for the cost of other capital outlay projects described in said survey and for no other purpose.

SECTION 5. In the event that the priority of needs of capital outlay projects of the District as shown on said survey shall be hereafter changed upon the request of this Board and with approval as required by the State Board of Education, then the proceeds of such Capital Outlay Bonds may be used for the capital outlay projects having the highest priority of needs instead of the capital outlay projects described in Section 1(b) hereof, in the manner provided in the School Capital Outlay Amendment and under such rules and regulations now existing or hereafter made by the State Board of Education.

SECTION 6. In the event the interest rates prevailing in the market place at the time the Capital Outlay Bonds are authorized for sale by the State Board of Education would not permit compliance with the parity test set forth in this application bond resolution and the coverage requirements set forth in Article XII, Section 9, Subsection (d) of the Constitution of the State of Florida, the Board hereby requests and authorizes the State Board of Education to issue a lesser principal amount of Capital Outlay Bonds on behalf of the Board, which would comply with such test and requirement at the prevailing interest rates anticipated by the Board of Education at the time the Bonds are authorized for sale by the State Board of Education, notwithstanding the authority to issue Bonds in the principal amount set forth hereinabove.

SECTION 7. The Secretary of this Board is hereby directed to forthwith file a certified copy of this Resolution with said State Board of Education and the proper officials of his Board are hereby authorized and directed to furnish any and all data, information, records, or other documents or papers as shall be required or requested by the State Board of Education in connection with this Resolution and the financing of the capital outlay projects described in this Resolution.

SECTION 8. This Resolution shall become effective immediately upon its adoption.

**STATE OF FLORIDA**

**COUNTY OF LEON**

I, the undersigned Secretary of the Board of Trustees of Tallahassee Community College, do hereby certify that the foregoing constitutes a true and correct copy of a resolution duly adopted and entered in the minutes of said Board at meeting held on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

IN WITNESS WHEREOF, I have hereunto set my signature and official seal this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

SIGNED: \_\_\_\_\_

(SEAL)

Secretary of the Board of Trustees of Tallahassee  
Community College